

## LONG TERM ECONOMIC FORECAST

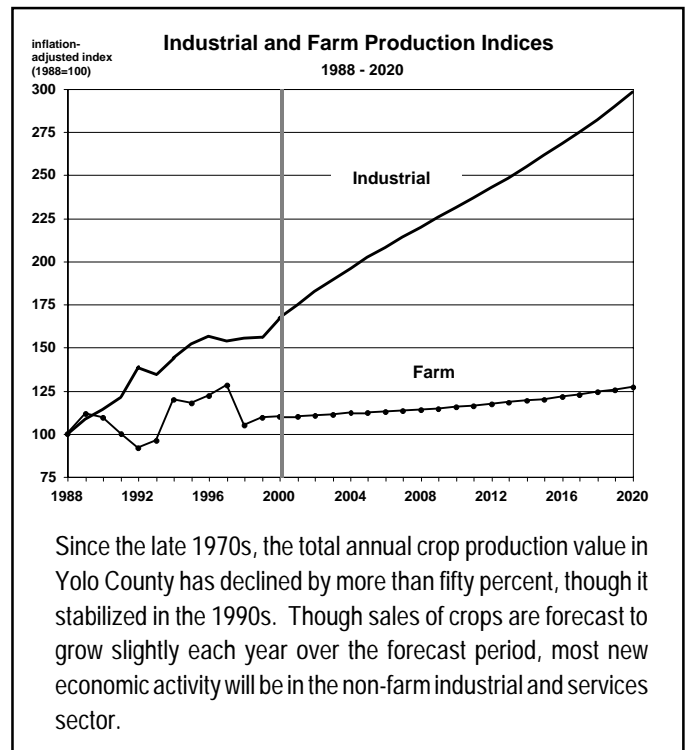
# Yolo County

### CURRENT SETTING

As of January 2000, the population of Yolo County was just under 164,000. The largest city is Davis with 58,000 residents, including students attending the University of California. Total wage and salary employment as of April 2000 stood at 90,800 workers. During 1999, the farm sector contributed 6.0 percent of the total jobs in the County. The creation of jobs soared 5.2 percent in 1999, compared to 2.8 percent for the state of California. This year, the rate of job growth is averaging 6.0 percent.

### FORECAST SUMMARY

- Employment is expected to grow an average of 3.4 percent a year through 2003. From 2004 through 2007, annual employment growth is forecast to slow to an annual average rate of 2.2 percent, and this rate of growth is expected to further decline to 1.4 percent per year over the remainder of the forecast.
- Services employment is forecast to grow faster than other sectors. By 2020, employment in services will nearly 19 percent of total wage and salary employment, compared to 15.5 percent in 1999. Wholesale and retail trade is expected to remain the dominant employment sector, with more than 25 percent of total wage and salary jobs in 1999 and increasing to 28 percent in 2020.
- Manufacturing employment is slated to grow by just 700 jobs over the 20 years of the forecast. Accordingly, this sector would contribute only 5.4 percent of total wage and salary employment in 2020, down from 7.2 percent in 1999 and ten percent as recently as 1989.
- Positive net migration is expected throughout the forecast, averaging 1,564 more in-migrants than out-migrants per year.
- Real personal income per capita is forecast to increase by an average of 1.8 percent per year for the remainder of the forecast. This rate of growth is approximately the same as the forecast for the entire state of California. However, per capita personal incomes in Yolo County will lag the statewide average throughout the forecast.



- Taxable retail sales are expected to grow at an inflation-adjusted average annual rate of 3.6 percent over the forecast period. Through 2006, this annual growth rate would be 4.8 percent, but it is expected to slow to an average of 3.1 percent per year over the last 14 years of the forecast.

### EMPLOYMENT

During 1999, the region created 3,755 new non-farm wage and salary jobs, and 590 farm sector jobs. This year, jobs creation has accelerated, averaging 6.0 percent during the first four months of 2000. The services and the retail trade sectors are creating nearly all of the new jobs in Yolo County this year.

After 2000, job creation is forecast to slow suddenly, averaging between 2,000 and 2,800 new jobs per year from 2001 to 2006. The principal sectors of growth over the next 10 years are the retail and government sectors. Over 7,000 new jobs will be created in the services sector, together with

5,500 new public sector jobs by 2010.

The longer term forecast of job growth produces an average of 1,400 to 2,000 new jobs per year. Most of these new jobs are in the retail and services industries. Employment growth in services is forecast to remain healthy during the 2010–2020 period. An aging baby boomer population together with a growing school age population will place greater demands on healthcare and education services.

Farm employment is expected to increase slightly from an average of 5,300 full time workers in 2000 to 5,700 by 2010. Employment gains are likely to be modest because labor saving technologies will characterize California agriculture over the longer-term forecast.

Public sector employment is forecast to rise an average of 1.7 percent per year between 2000 and 2010, and 1.2 percent per year between 2011 and 2020.

## INCOME

Personal income grew 7.1 percent in 1999, and per capita income rose 6.8 percent. Adjusted for inflation, per capita income improved 4.4 percent in 1999. Nevertheless, personal income lags the statewide average by over \$3,000 per person. The 1999 per capita rate in Yolo County averaged \$25,200. For all Californians, the 1999 per capita average was \$28,301.

## ECONOMIC FORECAST: DEMOGRAPHICS, INCOME, SALES

year	Popula- tion	Net Migra- tion	Regis- tered Vehicles	House- holds	New Housing Units	Retail Sales	Personal Income	Real Per Capita Income	Farm Crop Sales	Indus- trial Output
	people	people	millions of veh.	thousands of homes	homes	billions of \$	billions of \$	1999 \$ per person	millions of \$	billions of 1999 \$
1995	150,812	1,450	125.7	54.9	709	\$0.91	\$3.26	\$23,229	\$297	\$1.45
1996	152,535	559	128.3	55.5	798	\$0.95	\$3.40	\$23,486	\$313	\$1.49
1997	154,898	1,294	122.9	56.2	714	\$0.98	\$3.52	\$23,588	\$335	\$1.47
1998	157,717	24	131.5	57.0	1,591	\$1.08	\$3.68	\$24,136	\$277	\$1.48
1999	160,805	1,720	130.1	57.7	1,465	\$1.26	\$3.94	\$25,200	\$296	\$1.49
2000	164,010	1,438	123.7	59.4	1,255	\$1.35	\$4.30	\$26,018	\$304	\$1.60
2001	167,259	1,215	124.7	60.6	944	\$1.47	\$4.63	\$26,810	\$312	\$1.67
2002	170,518	1,654	125.1	61.6	1,017	\$1.58	\$4.93	\$27,407	\$322	\$1.74
2003	173,806	1,479	125.2	62.7	1,150	\$1.71	\$5.27	\$27,983	\$334	\$1.81
2004	176,976	1,317	125.6	64.1	1,295	\$1.84	\$5.62	\$28,409	\$347	\$1.87
2005	179,927	1,555	126.0	65.5	1,346	\$1.98	\$5.99	\$28,871	\$358	\$1.93
2006	182,719	1,749	126.3	66.9	1,306	\$2.11	\$6.35	\$29,300	\$369	\$1.99
2007	185,757	1,655	127.4	68.2	1,299	\$2.24	\$6.74	\$29,733	\$380	\$2.05
2008	188,810	1,559	128.7	69.5	1,233	\$2.38	\$7.11	\$30,069	\$392	\$2.10
2009	191,910	1,501	130.3	70.8	1,186	\$2.51	\$7.51	\$30,486	\$404	\$2.15
2010	194,977	1,379	131.8	72.0	1,168	\$2.65	\$7.92	\$30,869	\$416	\$2.21
2011	197,658	1,211	132.7	73.2	1,116	\$2.78	\$8.31	\$31,198	\$428	\$2.26
2012	200,352	1,248	133.7	74.4	1,068	\$2.92	\$8.72	\$31,574	\$440	\$2.32
2013	203,062	1,401	134.8	75.5	1,071	\$3.06	\$9.16	\$31,960	\$452	\$2.38
2014	205,797	1,479	135.9	76.6	1,071	\$3.20	\$9.62	\$32,373	\$465	\$2.44
2015	208,981	1,502	137.6	77.7	1,062	\$3.32	\$10.13	\$32,800	\$480	\$2.50
2016	212,161	1,579	139.4	78.8	1,074	\$3.44	\$10.68	\$33,287	\$495	\$2.56
2017	215,379	1,625	140.6	79.9	1,061	\$3.56	\$11.28	\$33,843	\$511	\$2.63
2018	218,660	1,815	141.5	80.9	1,026	\$3.68	\$11.92	\$34,414	\$529	\$2.70
2019	221,968	1,855	141.8	82.0	990	\$3.77	\$12.66	\$35,170	\$547	\$2.77
2020	225,321	1,743	141.8	83.0	940	\$3.88	\$13.37	\$35,800	\$565	\$2.85

Total personal income is forecast to rise an average 6.3 percent per year between 2001 and 2010. The wealth position of the population is expected to generally improve in the future, though it will continue to lag the average wealth position for all persons in the state of California. Inflation adjusted per capita income is expected to grow 1.7 percent per year between 2000 and 2010, and 1.5 percent per year in the 2011 to 2020 period of the forecast.

Growing personal incomes will translate into modest increases in the rates of personal consumption. The retail markets are expected to remain healthy as income positions continue to improve in the region. Real retail sales are forecast to rise 4.1 percent per year between 2000 and 2010, and 1.7 percent per year between 2010 and 2020.

## HOUSING AND DEMOGRAPHICS

Net in-migrating population was estimated at 1,720 persons in 1999. Over the 2000 to 2010 period, net immigration is forecast to average 1,500 persons per year. Population growth remains at an average 1.7 percent per year during the first 10 years of the forecast, and 1.5 percent during the final 10 years.

New residential units are forecast to average 1,200 per year between 2000 and 2010, and 1,050 per year between 2010 and 2020.

## ECONOMIC FORECAST: EMPLOYMENT

Total Wage & Salary	Farm	Cons- truction	Mining	Manu- fac- toring	Trans. & public Utilities	Trade	Finance, Insurance, Real Estate	Total Services	Gov- ern- ment
----- thousands of jobs -----									
80.9	5.0	2.8	0.2	6.3	6.3	19.5	3.1	12.4	25.3
81.6	5.3	3.0	0.2	6.1	6.6	19.2	3.0	12.9	25.3
81.9	5.1	3.3	0.2	6.1	6.3	19.6	3.1	12.9	25.3
84.1	4.8	3.5	0.2	6.4	6.1	20.3	3.4	13.2	26.2
88.4	5.3	3.9	0.2	6.4	5.9	22.0	3.5	13.7	27.5
93.4	5.4	4.2	0.2	6.5	6.3	23.6	3.6	14.6	29.0
95.7	5.4	4.3	0.2	6.5	6.7	24.5	3.7	15.3	29.1
98.4	5.5	4.5	0.2	6.6	6.9	25.4	3.8	15.9	29.7
101.2	5.5	4.6	0.2	6.7	7.2	26.3	3.8	16.5	30.4
103.7	5.6	4.6	0.2	6.7	7.4	27.1	3.9	17.1	31.1
106.1	5.6	4.7	0.2	6.7	7.6	27.8	4.0	17.7	31.8
108.2	5.6	4.7	0.2	6.8	7.8	28.5	4.0	18.2	32.4
110.2	5.6	4.6	0.2	6.8	8.0	29.2	4.1	18.7	33.0
111.9	5.6	4.6	0.2	6.8	8.1	29.8	4.1	19.1	33.5
113.6	5.7	4.6	0.2	6.8	8.3	30.4	4.2	19.5	33.9
115.2	5.7	4.5	0.2	6.8	8.4	31.0	4.2	20.0	34.5
116.7	5.7	4.4	0.2	6.8	8.5	31.6	4.2	20.4	34.9
118.2	5.7	4.4	0.2	6.8	8.7	32.1	4.2	20.8	35.3
119.7	5.7	4.4	0.2	6.9	8.8	32.6	4.2	21.2	35.7
121.3	5.8	4.4	0.2	6.9	8.9	33.2	4.2	21.6	36.1
122.8	5.8	4.4	0.2	6.9	9.1	33.8	4.2	22.0	36.5
124.4	5.8	4.3	0.2	7.0	9.2	34.4	4.2	22.4	36.9
126.2	5.8	4.3	0.2	7.0	9.3	35.1	4.1	22.9	37.3
128.0	5.9	4.3	0.2	7.0	9.5	35.8	4.1	23.4	37.8
130.0	5.9	4.2	0.2	7.1	9.7	36.6	4.1	24.0	38.2
132.0	5.9	4.1	0.2	7.1	9.8	37.4	4.1	24.6	38.7

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